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SUBJECT: TURKISH CYPRIOTS: LOSING THE PRO-SOLUTION BEAT?

REF: A. 05 NICOSIA 688

- [1](#)B. 05 NICOSIA 297
- [1](#)C. 04 NICOSIA 1785
- [1](#)D. 05 NICOSIA 1766
- [1](#)E. NICOSIA 838
- [1](#)F. NICOSIA 1306
- [1](#)G. LIBBY-SILLIMAN EMAIL (08/08/2006)
- [1](#)H. LIBBY-INGMANSON EMAIL (06/17/2005)
- [1](#)I. 05 NICOSIA 993
- [1](#)J. NICOSIA 977
- [1](#)K. LIBBY-INGMANSON EMAIL (06/20/2006)
- [1](#)L. 05 NICOSIA 1342
- [1](#)M. LIBBY-INGMANSON EMAIL (10/26/2005)
- [1](#)N. 05 NICOSIA 1883
- [1](#)O. 05 NICOSIA 870
- [1](#)P. NICOSIA 593
- [1](#)Q. 04 NICOSIA 1885
- [1](#)R. NICOSIA 975
- [1](#)S. DIXON-SILLIMAN-CARVER EMAIL (07/05/2006)
- [1](#)T. 05 NICOSIA 291
- [1](#)U. NICOSIA 380
- [1](#)V. NICOSIA 47

Classified By: Ambassador Ronald L. Schlicher, reasons 1.4 (b) and (d).

SUMMARY AND COMMENT

[1](#)1. (C) In the two years since the Annan Plan referendum, the Turkish Cypriots have slowly lost their enthusiasm for the kind of pro-settlement policies and rhetoric which, by 2004, had sidelined Denktash, won them unprecedented international sympathy, and kept them "one step ahead" of Papadopoulos. Although the Talat "government" is still publicly committed to the speedy reunification of the island, UN-backed efforts to start technical and substantive talks have foundered in part on Turkish Cypriot prickliness over silly questions of protocol and terminology. Unilateral Turkish Cypriot confidence building measures -- such as the opening of Greek Cypriot churches or new checkpoint crossings -- now seem like a distant memory, obscured by more recent "TRNC" efforts to squelch trade across the Green Line and slow-roll cultural heritage preservation projects. Part of this change is due to resurgent nationalism and popular frustration over the lack of progress toward settlement. Resistance to necessary economic reform is also partly to blame.

[1](#)2. (C) The U.S. and EU can help coax the Turkish Cypriots back to a more constructive stance by applying a tough-love policy of continued engagement, linked clearly to a demonstrable Turkish Cypriot commitment to economic pragmatism and flexibility with the UN. But Turkey holds the ultimate key to unblocking the Cyprus stalemate and helping the Turkish Cypriots regain the initiative. Despite Talat's success at carving out a limited amount of autonomy, he will take no creative or forward-leaning steps unless he has a

green light from Ankara. Unfortunately, however, Turkey at this point seems unwilling to allow Talat to regain the initiative by shifting the mantle of intransigence back to Papadopoulos. END SUMMARY AND COMMENT.

WHAT A LONG STRANGE TRIP IT'S BEEN

¶3. (C) In the two years that have passed since the Turkish Cypriot "yes" vote on the Annan Plan, enthusiasm for forward-leaning policies and constructive rhetoric has flagged visibly, both inside Turkish Cypriot leadership circles, and in the wider forum of public opinion. To get a better sense of how far the political dynamic on Cyprus has changed since the Annan Referendum, it is helpful to review where things stood in 2004.

¶4. (C) The most salient feature of the Cyprus political landscape around the time of the Annan Referendum was the Turkish Cypriots' clear (and newfound) claim to the moral high ground. An avowedly pro-solution CTP party came to power in January of that year after an unprecedentedly free election. Over the next 18 months "Prime Minister" Talat successfully sidelined long-time rejectionist strongman Rauf Denktash, eventually replacing him as "TRNC President" in a one-round, knock-out election in 2005 (ref a). Meanwhile, Talat's CTP improved its position in 2005 "parliamentary" elections, as nationalist opposition parties licked their wounds and scrambled to refashion pro-EU, pro-solution images (ref b).

¶5. (C) The strong pro-settlement, pro-EU feeling that had produced massive street demonstrations starting in 2002 translated into strong support for the Annan Plan in the

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April 2004 referendum. In an effort to maintain momentum toward a settlement after the Annan Plan was voted down in the south, Talat made several goodwill gestures in 2004 and ¶2005. Putting its money where its mouth was, the Turkish Cypriot side began cooperating with the Committee on Missing Persons, which had been stalemated under Denktash. Meanwhile, Talat authorized the opening of a secondary school for enclaved Greek Cypriots in the Karpass (even as the GOC refused to make a reciprocal gesture for Turkish Cypriot students in Limassol) and allowed Orthodox worshippers to hold services in previously-closed churches in the north (ref c).

¶6. (C) Comfortable in the knowledge that Turkey was ruled by a popular civilian prime minister who had promised to stay "one step ahead" on the Cyprus problem, Talat took steps to distance himself from the Turkish "deep state." His "government" cracked down on illegal Turkish immigration and ended the practice of doling out "TRNC citizenship" to settlers (ref d). Talat made the symbolic move of hosting holiday receptions on his own, rather than together with the local Turkish Ambassador and Force Commander, ignoring fierce criticism from nationalists here and on the mainland. He also took steps to strengthen and reform his "country's" democracy locally, revising nationalist Turkish Cypriot secondary-school history texts and ending the previous practice of filing lawsuits to harass political opponents.

¶7. (C) This relatively forward-leaning approach contrasted sharply not only with the Denktash line, but also with the stance of President Papadopoulos. Greek Cypriot shilly-shallying in Burgenstock generated scorn in the international community, as did the GOC's successful (and undemocratic) efforts at stacking the deck for a "no" in the Annan referendum. Most observers predicted that the UNSYG's Good Offices Report would be the first in a series of international signs of opprobrium, and that the rejectionist GOC would find itself increasingly isolated from its new EU partners -- who planned to reward the constructive Turkish Cypriot stance with direct trade and a large dollop of

financial assistance. Panicky Greek Cypriot leaders reacted shrilly to international efforts to engage with the Turkish Cypriots, conducted a witch hunt against those who had allegedly been "bribed" by the USG bicomunal funds to support the Annan Plan, and meekly accepted a December 2004 EU decision to allow Turkey's accession talks to move forward. Papadopoulos's consistent refusal to meet with Talat, on the grounds that the latter was neither genuine in his desire for peace nor truly empowered to do a deal, rang hollow.

EXIT DR. JEKYLL, ENTER MR. HYDE (STAGE RIGHT)

18. (C) Much has changed since then. The Greek Cypriots have regained their footing internationally, helped in no small part by the apparent change of heart among their Turkish Cypriot cousins. Although the Talat administration continues to stress that its over-arching policy goal is reunification of the island, the tone of public statements by his "presidential" spokesman, "PM" Soyer, and other erstwhile peaceniks has become markedly more strident. At the same time, Turkish Cypriot policy on the ground has become more defensive, focusing on the defense of Turkish Cypriot rights from perceived threats and on the protection of "TRNC" institutions.

19. (C) A quick survey of policy changes in several key areas shows how far the Turkish Cypriots have backed away from their previously constructive stance.

-- Settlement Talks and the UN Track. Despite repeating that the Turkish Cypriots would resume talks with the Greek Cypriots at "any time, any place" to discuss any topic, Talat has proved a prickly and difficult interlocutor when put to the test (ref e). Turkish Cypriot sensitivities over silly issues of terminology and protocol (largely the domain of Greek Cypriots in 2004-5) are holding up UN efforts to build on the July 8 Gambari agreement, and do not mesh with Talat's insistence that he does not want recognition for the "TRNC" (refs f and g). Although Talat was willing, in June 2005, to discuss a Varosha-for-direct-trade swap proposed by the EU's Luxembourg Presidency (an effort that was apparently derailed by the Greek Cypriots - ref h), this year the Turkish Cypriots have effectively shut the door on similar discussions for fear that such a deal would represent a "slippery slope" of piecemeal concessions on their part.

-- Trade and Economy. The Turkish Cypriots (guided by CTP former communists and "TRNC" bureaucrats) have never fully

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grasped the importance of economic liberalization and reform, instinctively viewing business as subordinate to politics. Nonetheless, the Turkish Cypriots were initially somewhat supportive of trade across the Green Line as a way to improve intercommunal relations and boost their economy. Turkish Cypriot firms participated with enthusiasm in the ROC's 2005 Trade Fair, and "TRNC" officials agreed to allow Greek Cypriot goods to cross north despite the anti-competitive misgivings of some Turkish Cypriot businessmen (ref i). Now, however, "TRNC" officials and their political allies in the business community have begun actively thwarting efforts to trade with and through the south thanks to pressure from Turkey, old-fashioned protectionism, and a misguided belief that trade under the EU's Green Line Regulation will undermine the case for direct trade. Not-so-subtle intervention from "TRNC" officials (and Turkey) has killed two potentially lucrative agricultural export deals because the products would have gone through the southern port of Limassol (ref j). This has given credence to Greek Cypriot claims that Talat's desire for direct trade has more to do with scoring political points than with finding pragmatic ways to improve his economy.

-- Cultural Heritage. Previous Turkish Cypriot flexibility

on opening Greek Cypriot churches and schools has been eclipsed by an apparent fear that such measures represent political concessions to the Greek Cypriots. Despite lip service from the political leadership, Turkish Cypriot working-level contacts are stonewalling implementation of USG-funded, UN-brokered cultural heritage preservation projects (ref k).

-- Checkpoint Issues and Relations with the Military. Talat's government has become much more hesitant in its relations with the Turkish military, which has translated into confusion and stalemate in the ongoing efforts to open more Green Line checkpoints. As "Prime Minister," Talat convinced a reluctant Turkish army to agree to an EU-UN initiative to remove land mines from the Buffer Zone in early 2005; later that same year, the Turkish Cypriots caught the Greek Cypriots off guard by opening a checkpoint at Astromeritis/Zodhia/Bostanci (refs l and m). By December, however, Turkish Cypriot efforts to open a checkpoint at Ledra Street foundered over apparent Turkish army resistance, and the CTP "government" backed off (ref n). Since then, the "TRNC" has reacted negatively to GOC suggestions of new checkpoints. Similarly, the Talat "government" appears to have quietly shelved plans to transfer control of the "TRNC Police" from the army to civilian authorities.

WHAT HAPPENED TO THE TURKISH CYPRIOTS WE KNEW AND LOVED?

10. (C) One way of interpreting this shift (with apologies to Dr. Elisabeth Kubler-Ross) is that the Turkish Cypriots have gone through several identifiable stages of "grieving" over the death of the Annan Plan -- which the current leadership worked so hard to realize, and which the public at large supported with such enthusiasm. After the Greek Cypriot rejection of the Plan and the north's failure to "join" the EU as expected, there was a period of denial (Stage 1) that lasted several months. This was marked by discussions among Turkish Cypriots of such pie-in-the-sky ideas as resubmitting the plan to another referendum right away or finding some way of unilaterally implementing the provisions of Annan V in a way that might somehow force the Greek Cypriots to come around.

11. (C) Stage 2 -- anger -- soon followed, with pro-settlement leaders who had sat across the table from Papadopoulos at Burgenstock venting their rage with injudicious public criticism of the man they blame (with some reason) for the current stalemate. This anger still lingers; dialogue between former allies, the Greek Cypriot AKEL and the Turkish Cypriot CTP, has turned sour as meetings between party leaders from both sides have devolved into barren sessions of mutual recrimination. The Turkish Cypriots even tried their hand at bargaining (Stage 3) during the 2005 Luxembourg talks on Varosha-for-trade.

12. (C) Now, the Turkish Cypriots are clearly in Stage Four (depression) with few Turkish Cypriots believing reunification will ever be possible, and even fewer hoping for any results from the current round of UN mediation. Many previously enthusiastic supporters of reunification have simply lost interest in politics. Others, responding to Greek Cypriot "pressure tactics" -- such as the issuance of arrest warrants for (and in some cases the detention of) Turkish Cypriots who have usurped Greek Cypriot land (ref o) -- wonder aloud if "Denktash was right" that coexistence with

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the Greek Cypriots was impossible all along (ref p). Turkish Cypriots are also in a funk over what they perceive to be the "broken promises" (such as direct trade) made by the international community as a reward for the "yes" vote (ref q).

13. (C) The main question now -- to stretch the Kubler-Ross analogy further -- is what will Stage 5 "acceptance" of the

end of Annan look like? Although Turkish Cypriot leaders (and Ankara) doggedly insist on keeping the Annan Plan as the basis for further settlement talks, it seems that the Turkish Cypriot public opinion has slowly begun to accept that the Plan will not be resurrected in its current form. Talat's signature on the July 8 Gambari agreement (which did not mention the Annan Plan) prompted some behind-the-scenes scolding from the "deep state," but caused little serious domestic political fallout. A July 2006 poll shows a rise in the number of Turkish Cypriots who no longer feel that the Annan Plan would be workable without major changes, and a corresponding drop in support for the plan (from over 65 percent in 2004 to just over half today).

¶14. (C) As Turkish Cypriots learn to let go of the Annan Plan, two Cyprus-problem strategies will compete for their affections. The challenge will be to encourage the Turkish Cypriots to avoid the temptations of Denktash-style rejectionism (largely responsible for 30 years of stalemate), and opt instead for creative pragmatism of the sort which sidelined the nationalists in 2004 and helped get Cyprus closer to a solution than ever before.

WHAT WE CAN DO, WHAT TURKEY MUST DO

¶15. (C) Coaxing the Turkish Cypriot leadership back into a constructive stance will be difficult, given the prevailing public attitude of apathy and skepticism toward settlement prospects. The ruling CTP is feeling heat after Denktash Junior's nationalist party did better than expected in June 2006 local elections (ref r), and has begun to realize that the pro-solution message doesn't have the enthusiastic support that it used to among voters. Furthermore Turkish Cypriots have a deep-seated client-state psychology. This has contributed to the unhealthy belief that, having done their bit, all they need to do now is sit back and wait for the world to reward them. The Turkish Cypriots do not yet understand that their 2004 "yes" vote is a depreciated asset, and that they must show continued creativity and flexibility until the Cyprus problem is solved.

¶16. (C) To counter this, we must continue to preach a message of tough love to the Turkish Cypriots -- supporting their economic development and working to end their isolation, but making it clear that our help and engagement is dependent upon a demonstrable commitment to economic reform, flexibility on the UN track, and an ongoing agenda of reunification. Most of the north's leaders recognize that the United States has taken significant steps on their behalf. Our CyPEG program, for example, or Talat's meetings with Secretaries Rice and Powell have given us valuable credibility in Talat's eyes. The EU can help support our message, but must reestablish its own credibility, for example by finding a way to overcome Greek Cypriot delaying tactics on aid implementation (ref s). If the Turkish Cypriots see that both the U.S. and the EU are unwilling to put up with Papadopoulos's bullying, they will be more inclined to listen to our message of flexibility and reform, and then to take steps to shift the political onus back on Papadopoulos.

¶17. (C) The key to Turkish Cypriot flexibility, however, will be a green light from Ankara. Viewed from the north, Turkey is an 800-pound gorilla (ref t); even if he overcomes his fears of punishment at the ballot box, Talat is unlikely to take any moves that will put him "one step ahead" unless he can be sure he won't get clobbered by Turkey. Unfortunately, the GOT has increased its pressure on Talat over the past several months -- encouraging him to reject EU aid (ref u), helping him stamp out trade across the Green Line, and pressing him to take a "firm" stance with the UN on technical talks. In a telling episode, Mrs. Talat (who by chance sat next to the Ambassador on a recent plane ride) bitterly complained of the pressure the GOT was placing on her instinctively pro-settlement husband. Despite his cautious efforts to carve out more autonomy from Turkey (ref v), Talat is hemmed in by an AKP government that is in no mood to

compromise, either on Cyprus issues or its own Cyprus-related EU issues. If Ankara cannot be convinced to change its tune and allow Talat the freedom to engage in a talks that lead meaningful settlement process, the Cyprus stalemate will

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continue -- with potentially disastrous consequences for Turkish EU accession.
SCHLICHER